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Dear Friends:

I would like to take this opportunity to inform you of a few of the issues facing legislators as we begin the 114th Indiana General Assembly in January. The fourmonth long session, by law, must adjourn on or before April 29, 2005. During that time, lawmakers will consider hundreds of proposals and make public policy decisions that will affect Indiana and its citizens for the next several years.

How to properly fund public schools, provide relief for Hoosiers most affected by rising health care costs, enhance economic development initiatives, continue efforts to retrain our workforce and create more jobs are just a few of the issues to be considered as we work together to make Indiana an even better place to live, work and raise our families.

Crafting a new state budget for the next two fiscal years will top the legislative agenda. Although we have managed to maintain solid reserves throughout the national recession, the state is facing a gap between expected spending and projected revenues. The key to managing the budget will be to cut spending by finding new efficiencies, consolidating agencies and eliminating ineffective programs. It is also vitally important that we protect services and education, or else Indiana will begin to lose its ability to develop economically and grow our way out of the current fiscal situation.

Included in this newsletter is information on how to get involved and stay informed. You can subscribe to receive my legislative updates. You can log on to the General Assembly's web site to track legislation, obtain bill texts, bill action history and committee hearing information. You can also contact me directly for legislative information or if you are experiencing any problems with which I can be of assistance.

As your State Senator, it is my job to communicate to the General Assembly the issues that matter most to the citizens of my district. Most new laws will in some way affect all of us, our families and our communities. Please contact me by phone, mail or email, and let me know your thoughts and concerns. The legislative process works best when citizens get involved. I look forward to hearing from you.

Wishing you a healthy and prosperous New Year,

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Issues confronting education

Legislators will be dealing with a host of education issues this year. While creating a new state appropriation plan, fiscal members will examine one of the budget's biggest components - **education funding**. There will be renewed efforts to provide adequate funding for school corporations given each community's needs and challenges.

How to continue progress on **school standards and accountability** given the state's budget restrictions will also be a dominate issue. The federal No Child Left Behind Act, which requires the implementation of higher standards and greater teacher accountability, has never been fully funded by the federal government

forcing the state to dip into its own reserves.



Knowing the importance of **early childhood learning opportunities**, last year, legislators came close to passing a comprehensive program to expand optional full-day kindergarten and other early education programs. Regrettably, agreement could not be reached on how to fund the initiative. Consequently, this school year only 6,000 students attend full-day kindergarten statewide, although there are more than 500,000 Hoosiers under the age of

six. It is my hope that this initiative will be re-introduced and receive further consideration. Additionally, lawmakers may consider a different approach that would move the current kindergarten enrollment date from July 1 to September 1.

The Indiana Statewide Testing for Educational Progress Plus test (ISTEP+) is a tool used to assess the educational progress of students in grades 3, 6, 8 and 10. The test is currently given in the Fall so teachers can continue to work with students in areas that need more attention. Legislation may be considered to move the test to the Spring to better assess what students have learned. Opponents feel that conducting the test in the Spring would leave little time to address problems.

K-12 Education accounts for 36% of Indiana's annual budget.

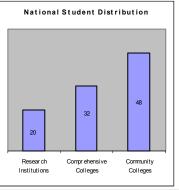
Addressing the rising costs of higher education

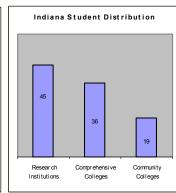
Last summer, the Task Force on College Affordability began studying the rising costs of a college education and making policy recommendations to ensure that college remains an option for all Hoosiers. Increased tuition stems from many sources such as higher student enrollment and economic problems, but this complicated issue must be pursued to safeguard affordable education.

The Task Force highlighted structural issues to help address education costs. Enrollment in Indiana higher educational institutions differs from the national distribution of students attending research institutions (e.g. Indiana and Purdue Universities), comprehensive colleges (e.g. Ball State University) and community colleges (e.g. Ivy Tech). Indiana tends to educate the majority of its students in the more expensive major research institutions, but many students might be better served by attending a comprehensive or community college. The challenge is for community and comprehensive colleges to absorb additional students at a reasonable cost.

Indiana can take further action by providing incentives to colleges that graduate students within four years, instead of placing significance on enrollment. Students often take more than four years to complete their degrees for many reasons, which drives up the costs.

These are a few actions the General Assembly must consider to address lowering college costs. My hope is we will be able to enact legislation that will enable more Hoosiers to afford quality higher education.





Unfunded Federal Mandates

Costs of federal programs could shift to states

In these tight fiscal times, a major concern facing state legislators is the possibility of more federal mandates that shift additional costs to state and local units of government. The National Conference of State Legislatures released a study last March reporting that states have been confronted with \$29 billion in cost shifts. This figure is projected to increase to nearly \$34 billion in 2005.

I support valuable programs such as the Individuals with Disabilities Education Act (IDEA), No Child Left Behind Act (NCLB) and the Help America Vote Act (HAVA), but I am very concerned that the federal government will continue to shift these programs to the states as unfunded mandates. Indiana's funding shortfall from the federal government is estimated to be \$480 million just for 2004. If the state had received adequate program funding over the past several

years, it would not be facing a budget gap today.

IDEA was created in 1975 to provide every special education student with an additional 40 percent of the cost of general education students. The program was to be fully funded by 1982, but states never received their full allocations. In 2002, Indiana should have received a total of \$420.4 million for special education students, but only \$171 million was dispersed. To make up for the lost funding, the state and local school districts scrambled to find millions in lost revenue to provide the programs required for special education students.

These "Catch 22" cost shifts are contributing to our state's fiscal problems and are an unrealistic expectation. It is time for state and local officials to band together to halt Congress' renewed push for more state mandates.

Stay informed!

Request to receive my email newsletter discussing legislative issues.

To subscribe, visit my website www.in.gov/s47

To receive periodic updates by mail, contact my office at: 800-382-9467, ext. 2-9427

Focus On: HEALTH CARE

The rising cost of health care will undoubtedly receive much attention this session. As many as 600,000 Hoosiers are without health insurance cov-

erage. Many of these individuals are employed by small businesses that cannot afford to provide coverage.

A governor's task force has been developing a plan designed to reduce the growing number of Hoosiers with no health insurance. The "Hoosier Health Plan" recommends the pooling of small



businesses and individuals who are self-employed to provide them with affordable health care under a bulk-purchasing plan with competitive rates. The state received federal funding to support the startup of the program, but it will be up to the new administration and the General Assembly to determine how to use the grant for pilot programs.

Being able to provide quality, affordable health insurance to many of Indiana's uninsured is more than a health care or insurance issue. It also relates to economic development and jobs. The majority of

"As many as 600,000 Hoosiers are without health insurance coverage." Indiana businesses are small, and their success is being threatened by rising health care costs. Many small businesses are

finding it increasingly difficult to keep employees because of the financial burden health care has become.

Legislators are also expected to consider legislation to allow small businesses to join the state's new bulk prescription drug purchasing program, which was established by the 2004 General Assembly. The program created a pool of more than 400,000 state, local and public university employees to increase the state's buying power and the ability to negotiate lower prescription drug costs. Under a bill to be introduced in 2005, legislators will be considering the possibility of expanding the pool to include small businesses, county hospitals and non-profit organizations.



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Serve as a Student Page for the Indiana General Assembly

Serving as a Page for the Indiana General Assembly is an excellent educational opportunity for students.

- Students between the ages of 12 and 18 may apply to serve as Pages while the Legislature is in session January 4 through April 29.
- Both the State Senate and the House of Representatives offer Page Programs enabling interested students to participate for one day assisting with various legislative activities.
- Participation in the Page Program is considered an excused absence from school.

Students interested in serving as a Senate Page should write to me at the address above and include their full name, address, phone number, age, school and two different dates when the student is available to serve. For further information, contact the Senate Student Services Office toll-free at **800-382-9467**.

Individuals and groups may visit the State Capitol throughout the week during regular business hours and certain times during weekends. Tours can be arranged seven days a week by contacting the Department of Administration's State Capitol Tour Office at 317-233-5293. Walk-in visitors may take a self-guided tour of the State Capitol by picking up a tour book at the Information Desk located just outside the Rotunda. If you plan to tour the State Capitol while the Legislature is in session, the Tour Guide can contact my office and if available, I would be happy to meet you.

